



City of East Ridge

1517 Tombras Avenue
East Ridge, Tennessee 37412
(423)867-7711 • www.eastridgetn.gov

Office of City Recorder

CITY OF EAST RIDGE, TENNESSEE REQUEST FOR PROPOSALS FINANCIAL AND COMPLIANCE AUDIT

The City of East Ridge is seeking qualified accounting firms interested in performing a financial and compliance audit of the City of East Ridge. Proposals will be received by Diane Qualls, Finance Director, at East Ridge City Hall, 1517 Tombras Avenue, East Ridge, TN 37412 until 2:00 pm EDT on Wednesday March 17, 2021, and then at said place publicly opened and read aloud. All envelopes containing proposals must be marked "Audit Proposal 3/17/21." Envelopes not properly marked will not be accepted. Information packets are available for pick up from 8:00 am – 4:30 pm, Monday-Friday at East Ridge City Hall or on the City's website eastridgetn.gov. The City of East Ridge reserves the right to reject any or all proposals, to waive technicalities therein and to award the proposal in the City's best interest.

Please run ad on Wednesday, February 17, 2021.

Thanks!
Janet Middleton
City of East Ridge

Brian Williams
Mayor

Mike Chauncey
Vice-Mayor

Jacky Cagle
Councilmember

Esther Helton
Councilmember

Andrea Witt
Councilmember

Chris Dorsey
City Manager

**CITY OF EAST RIDGE
REQUEST FOR PROPOSAL
FINANCIAL AND COMPLIANCE AUDIT
FEBRUARY 17, 2021**

Purpose

The City of East Ridge has issued this request for proposals to interested auditing firms, who are qualified under state law and regulations, for the performance of a financial and compliance audit of the city in accordance with the requirements of the laws and/or requirements of the State of Tennessee.

Scope

The audit will examine the financial statements and records of all funds and account groups of the city for the fiscal year ending June 30, 2021.

Type of Audit

The audit will be a financial and compliance audit and will be conducted in accordance with generally accepted audit standards adopted by the American Institute of Certified Public Accountants, and the standards adopted by the Comptroller of the Treasury of the United States and those prescribed by the Comptroller of the Treasury of the State of Tennessee. The audit will be conducted in accordance with all guidelines as specified as the Single Audit Act of 1984 (Public Law 98-502).

General Requirements

1. The auditor shall submit to the city's governing body a printed report of the audit. This report shall contain an expression of opinions on the financial statements of the combined, combining, and individual funds that said statement are fairly stated, or opinions as to certain funds or items in the financial statements, or a disclaimer of opinions and the reasons therefor.
2. Copies of the report will be furnished to the city's governing body and one copy to the Comptroller of the Treasury, Municipal Audit Division.
3. The audit shall begin prior to July 1, 2021, and the report shall be submitted no later than December 31, 2021.

4. The auditor shall retain the working papers for no less than three years, and they shall be available for review by the Comptroller of the Treasury or a designated representative.
5. Pertinent data from the working papers shall be available for 3 years for reference if requested by the city.
6. If circumstances arise during the audit that require work to be performed above original estimates, such cost will be negotiated prior to commencement of the work.
7. An audit exit conference with the City Manager will be conducted by the auditor in charge. At that time, the findings and recommendations regarding compliance and internal control shall be discussed. The city official or a designee shall have the opportunity to respond, orally or in writing, on the findings. Any such written responses shall be included in the audit report.
8. The records of the city will not be removed from city offices except with expressed written permission of the City Manager.
9. The RFP and the auditor's proposal will be come part of the audit contract as prescribed by the State Comptroller.
10. All adjusting entries will be submitted to the city in writing with sufficient explanation so that they can be easily understood and properly posted to the financial records. Example: listing of invoices charged to accounts payable supporting any adjusting entries.
11. Financial audit must also conform with GASB 34 reporting requirements.

General Information

The city shall have closed and balanced all accounts and shall have prepared financial statements for all funds to be examined by the auditor. Page 4 details related to the number of funds maintained by the city and summary of the activities of these funds.

The city's general ledger system maintained by Local Government Data Processing with the systems being overseen by the Finance Director. Property taxes and solid waste fees are collected by the Hamilton County Trustee.

If additional information is required prior to submitting a proposal, inquiries should be directed to Diane Qualls, Finance Director: dqualls@eastridgetn.gov or by phone at 423-867-7711.

Proposal Format

The proposal shall be styled at the discretion of the submitter; however, at a minimum it must address these areas:

1. Breadth and dept of the firm's governmental auditing experience.
2. Organization size and structure of the firm.
3. Qualifications of staff to be assigned to the work; this will be determined from resumes submitted. Education, position in firm and years and types of experience will be considered.
4. Availability of the auditor to the city for specialized consultation and support assistance on sensitive or highly specialized issues.
5. Type and level of training provided to the firm's staff.
6. A list of references from other local government clients.
7. The audit fee must be quoted either as a fixed amount or rate per hour, with total estimated hours. If the later method is used, a minimum amount must be stated for budgetary purposes.
8. Auditing firm must submit five (5) copies of proposal.

Submittal Information

Proposals shall be submitted no later than March 17, 2021 to:

City of East Ridge
Attn: Diane Qualls, Finance Director
1517 Tombras Avenue
East Ridge, TN 37412

Opening of Proposals

Time: 2:00 pm EDT

Date: March 17, 2021

Place: East Ridge City Hall

1517 Tombras Avenue, East Ridge, TN 37412

City of East Ridge, TN

Population: 22,000

Total Combined Budgets: \$24,792,095

Accounting System Local Government

Number of Funds: 8

- General
- State Street Aid
- Grant
- Drug
- Economic Development
- Solid Waste Management
- Debt Service
- Capital Projects

Checking Accounts: 14

Number of purchase orders per year: 3,000

Number of invoices per year: 5,000

Number of A/P Checks per year: 4,500

Payroll

- Number of Employees: 160
- Frequency of Payroll: Biweekly
- Number of payroll checks - direct deposit: 4,160

Municipal Court Software: CJUS